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Target Price Revision
Metals and Mining

November 14, 2023

Uranium Energy Corp. (UEC)
Rating: Buy

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Assessment and Economic Study For Alto Paraná; Significant Upside Potential Under Stretch Scenario; Reit. Buy; PT Higher

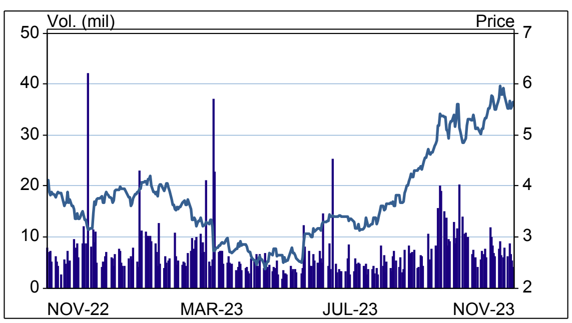
Stock Data	11/13/2023
Price	$5.97
Price Target	$8.25
52-Week High	$5.77
52-Week Low	$2.30
Enterprise Value (M)	$1,317
Market Cap (M)	$2,304
Shares Outstanding (M)	385.8
3 Month Avg Volume	8,242,688
Short Interest (M)	40.22
Balance Sheet Metrics	
Cash (M)	$51.8
Total Debt (M)	$0.0
Total Cash/Share	

Cash (M): Includes inventories.

EPS ($) Diluted			
Full Year - Jul	2022A	2023A	2024E
FY	0.02	(0.01)	0.05

Revenue ($M)			
Full Year - Jul	2022A	2023A	2024E
FY	23.2	164.4	134.0

2022 Annual: Revenue assumed from uranium inventory sales



Initial assessment and economic study for Alto Paraná. On November 13, Uranium Energy Corp. (UEC) announced that it had filed an Initial Assessment Technical Report Summary for the 100%-owned Alto Paraná project in Paraguay. We remind readers that Alto Paraná is one of the world's highest-grade ilmenite deposits, with a combined regional resource of 3.6Bt grading 7.3% TiO_2. The base case economic scenario for the project yields an impressive $419M post-tax net present value (NPV) (utilizing an 8% discount rate) and a 21% internal rate of return (IRR). Under this conservative scenario, the project is presently expected to yield about 150,000 tonnes (t) of high titania slag and 100,000t of high-purity pig iron per annum. We stress that this case assumes that 58% of the resources at site are Inferred, thereby making the study more conservative when compared with the stretch case below.

Significant economic opportunity under the stretch production case. Under the project's stretch production design, which assumes a rate of about 500,000 tpa of high titania slag and about 320,000 tpa of high-purity pig iron, Alto Paraná's NPV_8 increases to $1.55B on a post-tax basis. Importantly, this less conservative case assumes that 86% of resources are Inferred. We also note that the project's IRR under this scenario grows to 25%. This is notable as initial capital expenditures for the stretch production case increase to $918M, compared with just $338M under the base case scenario. Unsurprisingly, the stretch case scenario provides more economic potential, while the base case scenario provides a more accommodating entry point. Longer-term, however, we see significant value potential as additional resources are eventually converted into a higher confidence category.

We reiterate our Buy rating on UEC while increasing our PT to $8.25 from $8.00. Our increased PT is a result of a greater value assigned to Alto Paraná. Given continued de-risking, we now assign a $155M valuation for the project. This figure is based on a 0.1x value of the stretch production case NPV given the early-stage nature of the project. Importantly, our valuation for UEC remains primarily based on a DCF of future operations for the company as we utilize our unchanged discount rate of 7.5%. We then add an *in situ* value of $693.6M for Roughrider, $150.0M for UEC's Reno Creek assets, $155.0M for Alto Paraná (previously: $100.0M as discussed above), and an additional $75.0M for Paraguay and UEC's other exploration-stage assets. Importantly, we continue to model a fairly conservative value (when considering spot pricing) for UEC's Measured and Indicated (M&I) resources of $12 per pound (lb), $10/lb for Inferred resources for U.S.-based assets and Roughrider, as well as an estimated value for the firm's shares in Anfield (AEC.V; not rated) based on current market prices. In our view, these figures may even prove to be somewhat conservative when analyzing recent market multiples and continuous demand growth for U.S.-based uranium that has been affirmed by recent M&A.

Risks. (1) Uranium price risk; (2) operating and technical risk; (3) political risk (4) financial risk.

For definitions and the distribution of analyst ratings, analyst certifications, and other disclosures, please refer to pages 3 - 4 of this report.

Uranium Energy Corp.

All figures in USD$ unless otherwise noted

			2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E
Uranium price per lb			*$ 55*	*$ 60*	*$ 65*	*$ 65*	*$ 65*	*$ 65*	*$ 65*	*$ 65*	*$ 65*
Sales from inventory			$ 3,150	$ 1,500	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Revenue from Inventory sales			$ 164,000	$ 82,500	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Cost of Sales from Inventory		*$38*	$ 114,719	$ 57,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Gross Profit from Inventory Sales			$ 47,509	$ 25,500	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Palangana Production	*('000s pounds)*			300	340	200	50	-	-	-	-
Total Revenue ('000s)			**$ -**	**$ 18,000**	**$ 22,100**	**$ 13,000**	**$ 3,250**	**$ -**	**$ -**	**$ -**	**$ -**
Goliad Production	*('000s pounds)*			150	600	600	600	600	600	600	600
Total Revenue ('000s)			**$ -**	**$ 9,000**	**$ 39,000**	**$ 39,000**	**$ 39,000**	**$ 39,000**	**$ 39,000**	**$ 39,000**	**$ 39,000**
Burke Hollow Production	*('000s pounds)*		-	450	1,200	1,550	1,550	1,550	1,550	1,550	1,550
Total Revenue ('000s)			**$ -**	**$ 27,000**	**$ 78,000**	**$ 100,750**	**$ 100,750**	**$ 100,750**	**$ 100,750**	**$ 100,750**	**$ 100,750**
Gross Revenue			**$ 167,209**	**$ 136,500**	**$ 139,100**	**$ 152,750**	**$ 143,000**	**$ 139,750**	**$ 139,750**	**$ 139,750**	**$ 139,750**
10% Royalty Palangana ('000s)			$ -	$ 1,800	$ 2,210	$ 1,300	$ 325	$ -	$ -	$ -	$ -
8.25% Royalty Goliad ('000s)			$ -	$ 743	$ 3,218	$ 3,218	$ 3,218	$ 3,218	$ 3,218	$ 3,218	$ 3,218
Net Sales ('000s)			**$ 167,209**	**$ 133,958**	**$ 133,673**	**$ 148,233**	**$ 139,458**	**$ 136,533**	**$ 136,533**	**$ 136,533**	**$ 136,533**
Operating cost per lb			$ 18	$ 20	$ 16	$ 16	$ 16	$ 16	$ 16	$ 16	$ 16
Total Operating Costs ('000s)			**$ 119,700**	**$ 75,000**	**$ 32,000**	**$ 35,200**	**$ 35,200**	**$ 34,400**	**$ 34,400**	**$ 34,400**	**$ 34,400**
Operating Income ('000s)			**$ 47,509**	**$ 58,958**	**$ 101,673**	**$ 113,033**	**$ 104,258**	**$ 102,133**	**$ 102,133**	**$ 102,133**	**$ 102,133**
CapEx ('000s)			$ (5,000)	$ (5,000)	$ (1,000)	$ (1,000)	$ (1,000)	$ (1,000)	$ (1,000)	$ (1,000)	$ (1,000)
Taxes ('000s)	35.0%		$ -	$ -	$ -	$ (19,606)	$ (36,140)	$ (35,396)	$ (35,396)	$ (35,396)	$ (35,396)
			Note: We assume tax loss carryforwards for FY22-25								
Total Operating Cash Flow			**$ 42,509**	**$ 53,958**	**$ 100,673**	**$ 92,427**	**$ 67,117**	**$ 65,736**	**$ 65,736**	**$ 65,736**	**$ 65,736**
Discount Rate		7.5%									
PV of Operating Cash Flows ('000s)			**$ 42,509**	**$ 53,958**	**$ 93,649**	**$ 79,980**	**$ 54,027**	**$ 49,223**	**$ 45,789**	**$ 42,594**	**$ 39,623**

NPV	**$ 495,701**	*$ 1.28*	*per share*	
Plus Non-Texas Projects (Including UEX)	$ 995,676	*$ 2.58*	*per share*	*0.7248 USD/CAD exchange rate as of 11/3/23*
Plus U1A resources at $12/lb and Inferred at $10/lb	$ 494,600	*$ 1.28*	*per share*	
Plus Roughrider resources at $12/lb and Inferred at $10/lb	$ 693,600	*$ 1.80*	*per share*	
Plus Paraguay Assets	$ 75,000	*$ 0.19*	*per share*	
Plus Cash and purchased Inventories.	$ 51,821	*$ 0.13*	*per share*	*as of 7/31/23*
Plus Reno Creek/North Reno Creek	$ 150,000	*$ 0.39*	*per share*	
Plus Alto Parana Resources	$ 155,000	*$ 0.40*	*per share*	*0.1x of NAV under stretch case scenario.*
Ownership of Anfield Energy Inc. shares (AEC.V; not rated)	$ 5,233	*$ 0.01*	*per share*	*as of 11/13/2023*
Minus Debt	-	*0.00*	*per share*	*as of 7/31/23*
Total Current Value	**$ 3,146,782**			
Common Shares Outstanding	385,848	*as of 9/28/23*		
NAV Per Share	***$ 8.16***			
NPV/Share (Rounded to $0.10/share)	***$ 8.25***			
UEC Stock Price	***$ 5.97***	*as of 11/3/2023*		

Source: HC Wainwright & Co. estimates.

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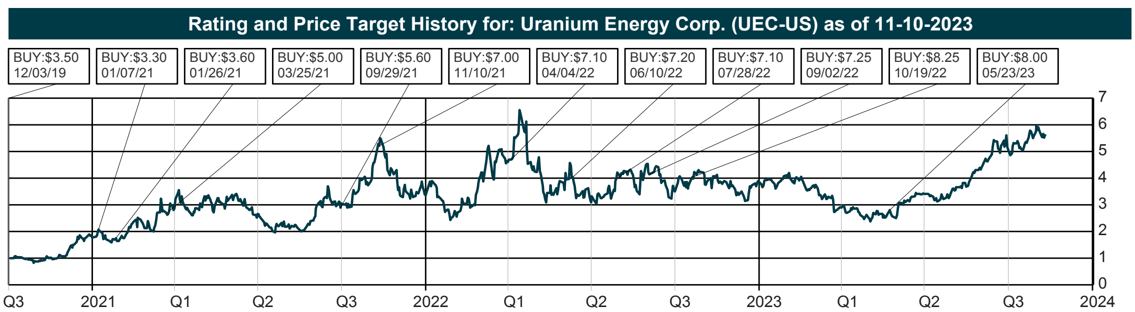

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Distribution of Ratings Table as of November 10, 2023

			IB Service/Past 12 Months	
Ratings	Count	Percent	Count	Percent
Buy	560	89.03%	139	24.82%
Neutral	60	9.54%	10	16.67%
Sell	0	0.00%	0	0.00%
Under Review	9	1.43%	3	33.33%

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